

**COMMISSION FOR MENTAL HEALTH,
DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES**

Commission Minutes

**Clarion Hotel
320 Hillsborough Street
Raleigh, NC 27603**

Thursday, May 26, 2011

Attending:

John R. Corne, Debra Dihoff, Dr. Thomas Gettelman, Dr. Ranota T. Hall, Dr. John J. Haggerty, Jr., A. Joseph Kaiser, John Owen, Elizabeth Ramos, Don Trobaugh, David R. Turpin, Beverly M. Morrow, Dr. Richard Brunstetter, Jennifer Brobst, Dr. Greg Olley, R. Michael Grannis

Excused Members:

Dr. John S. Carbone, Emily Moore, Nancy E. Moore, Phillip A. Mooring, Pamela Poteat

Other Absences:

Norman Carter, Carl Higginbotham, Diana J. Antonacci, Cindy L. Ehlers, Dr. James W. Finch, Matthew Harbin

Division Staff:

Steven Jordan, Jim Jarrard, Steven Hairston, W. Denise Baker, Marta T. Hester, Andrea Borden, J. Luckey Welch, Beth Melcher, Amanda J. Reeder, Lisa Jackson, Mabel McGlothlen

Others:

Priscilla Cooper, Tara Fields, Ann Rodriguez, Jacinta Jones, Karen Salacki

Handouts:

Certified Critical Access Behavioral Healthcare Agencies (CABHAs)

Call to Order:

John R. Corne, Chairman, NC Commission for Mental Health, Developmental Disabilities and Substance Abuse Services (Commission), called the meeting to order at 9:40a.m. He asked for a moment of reflection, welcomed members, reviewed the ethics reminder and reminded members about the ethics training requirements. Chairman Corne advised that he had not applied to be reappointed, but will continue to serve until the Chairperson is replaced. He also stated that he has decided to leave the appointment of the Rules and Advisory Chairs to the incoming Chairperson, but may reconsider if his tenure extends beyond the next Commission meeting. He then expressed his pleasure at having served on the Commission and commended the members for their participation.

Approval of Minutes

Upon motion, second and unanimous vote, the Commission approved the minutes of the February 24, 2011 meeting with the following change: add Beverly Morrow to list of attendees.

Division Director's Reports

Steven Jordan, Director, NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services (NC DMH/DD/SAS), gave a brief report on the budget and its impact on mh/dd/sa services. Mr. Jordan provided an overview of House Bill 916 and indicated that it permits statewide expansion of the Medicaid 1915 (b)(c) waiver and changes the minimum population standards for a Local Management Entity (LME). Mr. Jordan also informed the Commission that Senate Bill 316 authorizes the Department of Health and Human Services (DHHS) to implement additional Medicaid 1915(b)(c) waiver sites through a Request for Application (RFA) process, permits state facilities to disclose certain types of information for purposes of collecting payment for the care, treatment, or habilitation, and directs the distribution of a fund balance upon dissolution of an LME. Mr. Jordan acknowledged that there is opposition to expansion of the waiver with much of the opposition stemming from concerns of the intellectual/developmental disability community. He reviewed the current configuration of LMEs proposing to "consolidate" for purposes of the waiver.

Mr. Jordan noted that DHHS (the Department) sees care coordination as a vital component of a Managed Care Organization (MCO) and opines that this provides the best opportunity to manage quality and to manage the mh/dd/sa system in a more efficient manner. He added that all MCOs will be expected to provide monitoring, assessment, planning, and linkage of services. The Department anticipates that the next legislative session will need to address the governing strategies for LMEs particularly since the governance currently contained in statute predates implementation of the system designed with waiver entities and MCOs in mind.

Mr. Jordan noted that the Division is tracking additional legislation such as the proposal to have only one monitoring section in the DHHS. He also mentioned Dr. Beth Melcher has been spearheading two committees dealing with different aspects of duplication on behalf of the Department. One committee is dealing with the duplication of processes for people seeking mh/dd/sa services while the second involves examining duplication within the entire Department. Mr. Jordan added that another bill introduced proposes changes to the continued stay policy for Level III and Level IV residential placements for children resulting in the evaluation for continued stay changing from 120 days to 180 days. Mr. Jordan stated that the average length of stay at this time is close to 164 days. There will be some changes made to the qualifications on how to access continued stay and what role the system of care would have in that process. The Division is concerned about the proposal to lengthen the number of evaluation days; the Division also proposes that CABHAs be allowed to conduct the assessment.

Mr. Jordan received the following comments and questions from the Commission:

- John Owen, Commission member, questioned what the federal/state split would be if there were in fact a half million additional people on Medicaid. Mr. Jordan replied that he thinks the match from the federal government is estimated to begin at 90 percent.
- Dr. John Haggerty, Commission member, stated that one of the items in the legislation that Mr. Jordan did not mention is the proposal to reduce or eliminate optional Medicaid services and asked him to provide more details. Mr. Jordan responded that the optional services that would be eliminated are generally on the health care side such as dental, chiropractic care, drug benefits, and transplants. Mr. Jordan stated that the effect would be more evident as we approach 2014 and that it places people at a greater health risk from a primary care stand point.

- Dr. Thomas Gettelman, Commission member, asked where the funding will come from for the waiver sites (LMEs) to pay for the care coordinators and the authorization folks that will be doing the actual authorization since they do not have those personnel in place at this point. Mr. Jordan stated that it would come through the administrative piece of per member, per month funds. Dr. Gettelman asked what happens if Mecklenburg County decides not to become a waiver site. Dr. Melcher responded that if the legislation passes it will allow the Department, by January 2013, to assign the managed care functions.

Division Director's Report

Luckey Welsh, Director, NC Division of State Operated Healthcare Facilities (DSHOF), stated that currently there are no plans in the state legislature to further reduce the appropriations to the State operated healthcare facilities. Mr. Welsh stated that this was the result of the fact sometime ago the legislature decided not to fund the operation of Dorothea Dix at a cost of around 30 million dollars. When this occurred, it put the Division's 14 facilities in the red. Mr. Welsh stated that over the course of the last year or two the Division has reduced its cost in the facilities. The Division is more efficient and is reducing cost, but can not at this point make up all the 30 million dollars. Mr. Welsh stated that the Division is currently looking at a deficit of around 22 million dollars.

Mr. Welsh addressed the special provision regarding elimination of positions within the Department by stating that Secretary Cansler has said he would not reduce any positions in the facilities. Mr. Welsh stated the facilities generate costs that are not budgeted; these include workers' compensation costs, overtime, and shift differential in the facilities. Since there is no budget for those line items, they are funded through vacant positions.

Mr. Welsh provided the following report on state facilities:

- Neuro-Medical Centers – The O'Berry Center is being converted from an Intermediate Care Facility for the Mentally Retarded (ICF/MR) to a skilled nursing facility.
- Alcohol and Drug Abuse Treatment Centers (ADATCs) – All of the ADATCS are now being trained on gambling addiction. The R.J. Blackley Center is moving into a new building on campus. Walter B. Jones is applying to provide an opiod treatment program.
- Developmental Centers – The Caswell Center celebrated its 100th anniversary. Dr. Hardy, who is the great grandson of the founder of the Caswell Center, was in attendance and addressed the audience regarding his father and grandfather's vision of what Caswell would be for the State of North Carolina.
- Hospitals – There is construction underway for a new hospital in Goldsboro for Cherry Hospital which is scheduled to be completed January 2013. The Division plans to break ground in the next 30 – 60 days for the Broughton Hospital. Mr. Welsh also stated that they have met with Deby Dihoff, Commission member, and she is bringing the National Alliance on Mental Illness (NAMI) into the hospitals with some of NAMI's special programs. Mr. Welsh reported that the delays on admission have not changed since his last report to the Commission (i.e., 48 hours on average) and that it is a combined issue of lack of capacity across the system which is not going away any time soon.

Mr. Welsh further advised that the Division is now implementing a new financial management system to help with cost reduction and hopes to have the new system in place by the fall. This new system will be implemented at all the facilities, not just hospitals. Mr. Welsh also stated that the legislature appropriated 500 million dollars for increased education in the facilities and that Secretary Cansler believes, as the Division does, that it is necessary for them to educate the workforce to improve how they understand and deal with mental illness. Mr. Welsh stated that the Division has been asked by the state legislature to issue a Request for Proposal (RFP) for a private entity to operate the forensic services within the Division's system.

Mr. Welsh received the following questions and comments from the Commission:

- John Owen stated that it has been a long time since the Commission has heard from the patient advocates and would like to have this added to a future agenda.
- Deby Dihoff, Commission member, asked about the status of a provision with the Affordable Care Act that would allow certain states to get IMD funding. Dr. Melcher responded that the proposal has not officially been released, but the Department has seen a draft. The scope has been limited and would not include state facilities, but it would include private psychiatric facilities and it is limited to individuals who are under involuntary commitment status.

Beth Melcher added that the Emergency Room Delay (ED) workgroup led by Dr. Ureh Lekwauwa has assembled a very broad group of stakeholders and has been meeting on a regular basis. The workgroup has been gathering information regarding things that are actually working in the state and trying to figure out how to implement those more broadly. Dr. Lekwauwa is to submit recommendations to the Secretary in the Fall of 2011.

DHHS Duplication Workgroup

Beth Melcher stated there has been a lot of conversation about streamlining government to reduce the burden on businesses and people that do business with the State. To this end, Dr. Melcher stated that the Secretary has asked for two initiatives to move forward. The Department has a number of its Divisions involved in various regulatory activities so the question that was asked involved whether the Department could consolidate items or functions across the agencies that would create efficiencies and reduce the complexity of what the Department does. Dr. Melcher stated that this is in process and the Department had the opportunity to contract with PCG Consulting Group to review what the Department does. Within the next month, a draft report will be created and delivered to the Secretary on this issue.

Dr. Melcher stated that questions have been raised by CABHA providers regarding whether the Department was creating more redundancy and more inefficiency by creating another process for providers to comply with. As a result, the Secretary asked the staff to take a look at mh/dd/sa services and whether there are things that the Department can consolidate and streamline. Dr. Melcher stated that they brought together a large, broad group of stakeholders comprised of representatives from LMEs, providers, CABHA providers, etc. The issue the stakeholder group is charged to address is what the system should look like, from a regulatory perspective, as we move into the waiver environment. The workgroup identified three items which were assigned to committees to address: (1) how a provider enters the system; (2) how a provider stays in the system; and 3) how does DHHS know when things go bad and what do we do about it. Dr. Melcher noted that the group was very clear that they really needed to standardize the processes

across the LMEs and the MCOs because it creates a lot of duplication and inefficiencies when providers have to perform different processes across different LMEs.

Dr. Melcher stated that the group decided that there were four main components that they needed address for which the provider must be held responsible: (1) fiscal accountability; (2) quality of care; (3) clinical expectations; and (4) business operations. If the Secretary agrees the next step will be looking at how does DHHS start to fold a lot of those elements into this new way at looking at things. The group is currently formulating a draft report to present to the Secretary.

Dr. Melcher received the following questions and comments from the Commission:

- Jennifer Brobst, Commission member, stated that a large criticism of the CABHA process was that there was no public voice in its creation. Ms. Brobst asked what issues the Commission could expect to come within their purview within the next year in terms of promulgating rules. Chairman Corne responded that the Commission does have a statutory charter and while the Commission gets information from other agencies as assigned, there are some issues and projects that the Commission has no control over.
- Dr. John Haggerty, Commission member, asked that the minutes reflect his suggestion of the Commission taking a self study or review its role of what they should be doing. Dr. Haggerty stated that this would be a useful self analysis.

Critical Access Behavioral Health Agency (CABHA)

Mabel McGlothlen, Team Leader, LME Systems Performance Team, Community Policy Management Section, NC DMH/DD/SAS, shared the most recent numbers of agencies certified as CABHAs. Ms. McGlothlen advised that the Division has had 600 providers apply to be CABHAs and that there are 203 agencies that are now certified. Ms. McGlothlen stated that a provider must be certified as CABHA to provide Intensive In-home, Community Support Team (CST), or Day Treatment services. She noted that there are at least 10 other services that do not require CABHA certification and concluded by reviewing the handout on locations of certified CABHAs and the services provided at those locations.

Ms. McGlothlen received the following questions and comments from the Commission:

- Don Trobaugh asked how likely it is that those agencies now certified as CABHAs will still be providing services next year. Ms. McGlothlen stated that is difficult to predict; she noted, however, that the Division has decertified one provider thus far. Mr. Jordan acknowledged that there were some financial concerns and stated that CABHAs need to carefully evaluate the market and determine which services are financial viable for them to provide.
- Deby Dihoff asked if there was a common thread in the applications that were initially denied and then approved under reconsideration. Ms. McGlothlen replied that it was not a common thread.

Lisa Jackson, LME Systems Performance Team, Community Policy Management Section, NC DMH/DD/SAS, discussed the decertification or suspension of CABHAs. The framework used for decertification/suspension of CABHAs is found within the Division of Medical Assistance (DMA) rules located on the Office of Administrative Hearings website. Ms. Jackson stated that the CABHA Certification Review Panel, comprised of staff from DMA and DMH/DD/SAS,

reviews each case. Ms. Jackson said that when the panel receives referrals involving CABHAs that are serious in nature, the panel looks to see if the findings have been substantiated through investigations. Recommendations from the panel include decertification, suspension, or requiring a plan of correction. The Panel's recommendation is then submitted to DMA and DMH/DD/SAS leadership for review and approval. The formal letter is also reviewed by the NC Attorney General's office. All letters of decertification include an explanation of the appeal process and are sent certified mail.

Ms. Jackson indicated that reasons for CABHA decertification/suspension include: losing national accreditation; having its license revoked by the Division of Health Service Regulation (DHSR); failure to fill key CABHA staff vacancies within the required timelines (e.g., medical director, clinical director, quality management and training director); loss of endorsement, and loss of good standing with DHSR, DMA, DMH/DD/SAS, and the NC Department of Labor.

The following questions and comments regarding CABHAs were received from the Commission:

- Beverly Morrow, Commission member, asked whether a decertified CABHA would still be able to operate until it had completed the appeal process. Ms. Jackson responded that they would not as DMA pulls the agency's Medicaid billing number.
- Jennifer Brobst stated that in previous discussions of certified CABHAs, the Commission received a map that showed that CABHAs were only located in certain geographical areas of the state and were absent from the southern half of state. Ms. Brobst asked if there had been a change in that distribution of CABHAs. Mr. Jordan stated that a map of current CABHA locations can be provided to the Commission.
- Ms. Brobst stated that she did not feel it was the distance alone, but also the demographics of the populations. Ms. Brobst stated that the non-CABHA areas on the map reflected some of the poorest counties in North Carolina. Ms. Brobst added that there were race and class demographics as well as poverty issues that the Division needs consider. Mr. Jarrard stated that all LMEs must do their own gap analysis as they move toward becoming waiver entities; the Division has to review those and will address the gaps where possible.
- Dr. Gettelman stated that there are many CABHAs who may have services throughout North Carolina and questioned whether they have the basic benefit services in all of the areas where they are providing some of the enhanced services. Jim Jarrard, Deputy Director, NC DMH/DD/SAS, stated that, officially, monitoring CABHAs begins July 1st and the CABHA rules allow for a six month settling in period. Mr. Jarrard stated that the monitors will be reviewing referral patterns; while the agency itself may not have outpatient providers in certain areas it is their responsibility to facilitate referral of consumers in that area to outpatient providers.

Public Comment Period

There were no public comments. However, Chairman Corne thanked staff of the NC DMH/DD/SAS for the work they have done assisting the Commission.

There being no further business, the meeting adjourned at 12:20pm.